Testimony of Erik Neuenschwander Chief Privacy Engineer, Apple, Inc.

Hearing before the North Dakota Senate Joint Industry, Business, and Labor Committee on Senate Bill No. 2333

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Mr. Chairman, and members of the Committee, my name is Erik Neuenschwander, and I am the chief privacy engineer for Apple. I have dedicated my career to something I really care about, and I know you do, too: improving privacy, security, safety, and performance for users of technology. I appreciate the opportunity to offer testimony today in opposition to Senate Bill 2333, and I only wish that I could be there with you in person.

Many of you—or your friends or family or constituents—probably have an iPhone in your pocket right now. I hope that's the case—we are passionate about our products, and we believe they deliver the best possible customer experience. To do that, we work day-and-night, year-after-year to innovate and improve.

We know that your iPhone is not just a phone. Today, we all use our mobile devices to store our most sensitive information—communications with loved ones, photos of our kids, our location, our banking information, our health information, and more. Bad actors, including those in foreign countries, try to infiltrate our devices and access that sensitive information using something called "malware"—which is software that is used for bad, even dangerous, purposes. You can think of it like a Trojan horse—it's software that gets into your phone and then wreaks havoc.

At Apple, we are relentless about protecting your iPhone from these types of attacks. We are striving constantly to improve the privacy, security, safety, and performance of your iPhone. And I am here as a software engineer to tell you—in no uncertain terms—that Senate Bill 2333 threatens to destroy iPhone as you know it. To explain why this is the case, I'd like to provide some background on how we've built iPhone for over a decade—and how the proposed legislation would require us to abandon the integrated and curated iPhone experience our users expect.

First, the iPhone's hardware and software are built to work together seamlessly. The App Store is an integrated feature of iPhone, not a separate component, and if you mandate changes to it, you are fundamentally changing iPhone and the user's experience with it. So, for example, right now, your iPhone is designed to prevent software from obtaining unauthorized access to your camera or your photos or your location. But if you force other software onto iPhone, as Senate Bill 2333 might do, you would undermine the privacy, security, safety, and performance that is built into iPhone by design.

Second, the App Store is curated. I understand some of you have owned stores yourselves, so this will be familiar to you: you don't put just any product on your shelves; you stock your shelves only with products that meet your standards for safety and quality. You don't want to sell products that don't work or pose a danger to your customers. And that's how we run the App Store: to keep

out apps that would steal your banking information, or break your phone, or spy on your kids. Each week, we review about 100,000 submissions, and we reject about 40% of them because they don't meet our standards. And we know that our approach works: research shows that iPhone has far fewer malware infections than the Android Platform.

Simply put, we work hard to keep bad apps out of the App Store; Senate Bill 2333 could require us to let them in. For a store owner, that would be like the government forcing you to stock your shelves with products you know lack in quality, authenticity, or even safety.

And, remember: customers can make this choice for themselves. Today, if a customer wants our curated App Store approach, he can buy an iPhone; but if he wants a different approach without the protections Apple provides, then he can choose one of our competitors. We think our approach is better, but at the end of the day, it's the customer's choice to go with us or with someone else. Senate Bill 2333 could eliminate that choice if it required all mobile device makers to adopt the same approach of stocking their shelves without first screening the products.

That's what's at stake here. Since we launched iPhone in 2007 and the App Store in 2008—over a decade of hard work and breakthrough innovations—we have built a product and experience that many customers prefer over the alternatives in the marketplace: an integrated, curated mobile device that is designed to maximize privacy, security, safety, and performance. With the stroke of a pen, Senate Bill 2333 could destroy that.